



**Federal Communications Commission
Enforcement Bureau
Investigations and Hearings Division
445 12th Street, SW, Suite 4-C330
Washington, D.C. 20554**

August 27, 2009

DA 09-1916

VIA CERTIFIED MAIL

RETURN RECEIPT REQUESTED AND FACSIMILE (214) 767-2886

Mr. Ruben B. Bohuchot
c/o Richard Alan Anderson
Federal Public Defender - Dallas
525 Griffin Street
Suite 629
Dallas, TX 75202

Re: Notice of Debarment, File No. EB-08-IH-5312

Dear Mr. Bohuchot:

Pursuant to section 54.8 of the rules of the Federal Communications Commission (the "Commission"), by this Notice of Debarment you are debarred from the schools and libraries universal service support mechanism (or "E-Rate program") for a period of three years.¹

On February 26, 2009, the Enforcement Bureau (the "Bureau") sent you a Notice of Suspension and Initiation of Debarment Proceedings (the "Notice of Suspension").² That Notice of Suspension was published in the Federal Register on March 19, 2009.³ The Notice of Suspension suspended you from the schools and libraries universal service support mechanism and described the basis for initiation of debarment proceedings against you, the applicable debarment procedures, and the effect of debarment.⁴

Pursuant to the Commission's rules, any opposition to your suspension or its scope or to your proposed debarment or its scope had to be filed with the Commission no later than thirty (30) calendar days from the earlier date of your receipt of the Notice of Suspension or publication

¹ See 47 C.F.R. §§ 0.111(a), 54.8.

² Letter from Hillary S. DeNigro, Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, to Mr. Ruben B. Bohuchot, Notice of Suspension and Initiation of Debarment Proceedings, 24 FCC Rcd 2448 (Inv. & Hearings Div., Enf. Bur. 2009) (Attachment 1) ("Notice of Suspension"). In the Notice of Suspension, the Bureau referred to your frauds as being associated with E-Rate Funding Year 2002. See *Notice of Suspension* at 2448. The proper funding year associated with your fraud is E-Rate Program 6 and should be noted as Funding Year 2003. See *United States v. Ruben B. Bohuchot, et al.*, Criminal Docket No. 3:07-CR-167-L-2, Indictment at 5 (N.D. Tex. filed May 22, 2007, and entered May 24, 2007, under seal; unsealed May 29, 2007). ("DISD Indictment").

³ 74 Fed. Reg. 11722 (Mar. 19, 2009).

⁴ See Notice of Suspension, 24 FCC Rcd at 2448-49.

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of the Notice of Suspension in the Federal Register.⁵ The Commission did not receive any such opposition.

As discussed in the Notice of Suspension, the United States District Court in Texas sentenced you to serve eleven years in prison following your conviction of federal crimes, including conspiracy to commit bribery involving federal funds, conspiracy to launder monetary instruments, multiple counts of bribery involving federal funds, and other related offenses, in connection with your participation in the E-Rate program.⁶ Evidence at trial demonstrated that, in your position as the former Chief Technology Officer of the Dallas Independent School District (“DISD”), you participated in a bribery and money laundering scheme involving DISD technology projects, including a contract that involved E-Rate funds.⁷ Such conduct constitutes the basis for your debarment, and your conviction falls within the categories of causes for debarment under section 54.8(c) of the Commission’s rules.⁸ For the foregoing reasons, you are hereby debarred for a period of three years from the debarment date, *i.e.*, the earlier date of your receipt of this Notice of Debarment or its publication date in the Federal Register.⁹ Debarment excludes you, for the debarment period, from activities “associated with or related to the schools and libraries support mechanism,” including “the receipt of funds or discounted services through the schools and libraries support mechanism, or consulting with, assisting, or advising applicants or service providers regarding the schools and libraries support mechanism.”¹⁰

Sincerely,

Hillary S. DeNigro
Chief
Investigations and Hearings Division
Enforcement Bureau

cc: Kristy Carroll, Esq., Universal Service Administrative Company (via e-mail)
Dayle A. Elieson, U.S. Attorney’s Office, United States Department of
Justice (via mail)

⁵ See 47 C.F.R. §§ 54.8 (e)(3) and (4). That date occurred no later than April 20, 2009. *See supra* note 3.

⁶ See Notice of Suspension, 24 FCC Rcd at 2448.

⁷ See *id.*

⁸ 47 C.F.R. § 54.8(c).

⁹ See 47 C.F.R. § 54.8(g). *See also* Notice of Suspension, 24 FCC Rcd at 2449.

¹⁰ See 47 C.F.R. §§ 54.8(a)(1), 54.8(a)(5), 54.8(d); Notice of Suspension, 24 FCC Rcd at 2449.



**Federal Communications Commission
Enforcement Bureau
Investigations and Hearings Division
445 12th Street, SW, Suite 4-C330
Washington, D.C. 20554**

Attachment 1

February 26, 2009

DA 09-471

VIA CERTIFIED MAIL

RETURN RECEIPT REQUESTED AND FACSIMILE (510-452-8405)

Mr. Ruben B. Bohuchot
c/o Richard Alan Anderson
Federal Public Defender - Dallas
525 Griffin Street
Suite 629
Dallas, TX 75202

**Re: Notice of Suspension and Initiation of Debarment Proceedings,
File No. EB-08-IH-5312**

Dear Mr. Bohuchot:

The Federal Communications Commission ("FCC" or "Commission") has received notice of your conviction of federal crimes, including conspiracy to commit bribery, conspiracy to launder monetary instruments, multiple counts of bribery concerning programs receiving federal funds, obstruction of justice and making false statements on tax returns, in connection with your participation in the schools and libraries universal service support mechanism ("E-Rate program").¹ Consequently, pursuant to 47 C.F.R. § 54.8, this letter constitutes official notice of your suspension from the E-Rate program. In addition, the Enforcement Bureau ("Bureau") hereby notifies you that we are commencing debarment proceedings against you.²

¹ See 18 U.S.C. §§ 371 (conspiracy to bribery involving federal programs), 666(a)(1)(B) and 2 (bribery concerning programs receiving federal funds and aiding and abetting), 1512(c) (obstructing and impeding an official proceeding), and 1956(h) (conspiracy to launder monetary instruments) and 26 U.S.C. § 7206(1) (false statements on a tax return). Any further reference in this letter to "your conviction" refers to your thirteen count conviction. *United States v. Ruben B. Bohuchot*, Criminal Docket No. 3:07-CR-00167-L -1, Judgment (N.D. Tex. filed Nov. 14, 2008 and entered Nov. 17, 2008; amended Nov. 25, 2008) ("*Ruben Bohuchot Judgment*").

² 47 C.F.R. § 54.8; 47 C.F.R. § 0.111 (delegating to the Enforcement Bureau authority to resolve universal service suspension and debarment proceedings). The Commission adopted debarment rules for the schools and libraries universal service support mechanism in 2003. See *Schools and Libraries Universal Service Support Mechanism*, Second Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 9202 (2003) ("*Second Report and Order*") (adopting section 54.521 to suspend and debar parties from the E-rate program). In 2007, the Commission extended the debarment rules to apply to all of the Federal universal service support mechanisms. *Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight; Federal-State Joint Board on Universal Service; Schools and Libraries Universal Service Support Mechanism; Lifeline and Link Up; Changes to the Board of Directors for the*

Mr. Ruben B. Bohuchot
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I. Notice of Suspension

The Commission has established procedures to prevent persons who have “defrauded the government or engaged in similar acts through activities associated with or related to the schools and libraries support mechanism” from receiving the benefits associated with that program.³ On November 12, 2008, the United States District Court in Texas sentenced you to serve eleven years in prison following your conviction of federal crimes, including conspiracy to commit bribery involving federal funds, conspiracy to launder monetary instruments, multiple counts of bribery involving federal funds, and other related offenses in connection with your participation the E-Rate program.⁴ In addition, you and a co-conspirator will have to forfeit approximately \$1 million as a result of your conviction.⁵

As the former Chief Technology Officer of the Dallas Independent School District (“DISD”), you were in charge of procuring technology contracts for DISD. In this position, you participated in a bribery and money laundering scheme involving DISD technology projects, including a contract that involved E-Rate funds for Funding Year 2002 (“E-Rate FY 2002 Contract”).⁶ Specifically, you provided assistance to the efforts of your co-defendant, Frankie Logyang Wong (“Mr. Wong”), former co-owner and president of Micro Systems Engineering, Inc. (“MSE”),⁷ which enabled MSE to obtain a contract to provide E-Rate services to DISD.⁸ In exchange for your role in helping MSE obtain the E-Rate FY 2002 Contract, you received bribes that included extensive access to and control of large sports-fishing vessels, payment for numerous vacations and various entertainment services, and cash that you attempted to disguise as repayments from another individual for living expenses.⁹ MSE received at least \$35 million in aggregate

National Exchange Carrier Association, Inc., Report and Order, 22 FCC Rcd 16372, 16410-12 (2007) (*Program Management Order*) (renumbering section 54.521 of the universal service debarment rules as section 54.8 and amending subsections (a)(1), (5), (c), (d), (e)(2)(i), (3), (e)(4), and (g)).

³ See *Second Report and Order*, 18 FCC Rcd at 9225, ¶ 66; *Program Management Order*, 22 FCC Rcd at 16387, ¶ 32. The Commission’s debarment rules define a “person” as “[a]ny individual, group of individuals, corporation, partnership, association, unit of government or legal entity, however, organized.” 47 C.F.R. § 54.8(a)(6).

⁴ See *supra* note 1. See also <http://dallas.fbi.gov/dojpressrel/pressrel08/dl111208.htm> (accessed Dec. 8, 2008) (“DOJ November 12, 2008 Ruben Bohuchot Press Release”); *Ruben Bohuchot Judgment* at 1-2.

⁵ See DOJ November 12, 2008 Ruben Bohuchot Press Release; *Ruben Bohuchot Judgment* at 2 and 8.

⁶ See *United States v. Ruben B. Bohuchot. et al.*, Criminal Docket No. 3:07-CR-167-L-2, Indictment at 1,5-6,15 (N.D.Tex. filed May 22, 2007, and entered May. 24, 2007, under seal; unsealed May 29, 2007). (“DISD Indictment”); see also DOJ November 12, 2008 Ruben Bohuchot Press Release.

⁷ In a separate letter, we also serve notice of suspension and initiation of debarment proceedings to Frankie Logyang Wong for his role in the DISD bribery and money laundering scheme, pursuant to his conviction. See Letter from Hillary S. DeNigro, Chief Investigations and Hearings Division, Enforcement Bureau, to Frankie Logyang Wong, Notice of Suspension and Initiation of Debarment Proceedings, DA 09-473 (Inv. & Hearings Div., Enf. Bur. Feb. 26, 2009). MSE operated as a computer reseller firm providing computer products and services to large corporations and school districts. See *DISD Indictment* at 2.

⁸ See *DISD Indictment* at 5-6; DOJ November 12, 2008 Ruben Bohuchot Press Release. MSE was able to obtain two contracts with DISD worth approximately \$120 million as a result of information that Mr. Wong received from Mr. Bohuchot. *DISD Indictment* at 2-4. In this proceeding, we only address the contract involving E-Rate services.

⁹ *DISD Indictment* at 4-5, 7-21; DOJ November 12, 2008 Ruben Bohuchot Press Release.

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revenue from DISD and the Universal Service Administrative Company as a result of its participation in the DISD E-Rate FY 2002 Contract.¹⁰

Pursuant to section 54.8(a)(4) of the Commission's rules,¹¹ your conviction requires the Bureau to suspend you from participating in any activities associated with or related to the schools and libraries fund mechanism, including the receipt of funds or discounted services through the schools and libraries fund mechanism, or consulting with, assisting, or advising applicants or service providers regarding the schools and libraries support mechanism.¹² Your suspension becomes effective upon the earlier of your receipt of this letter or publication of notice in the Federal Register.¹³

Suspension is immediate pending the Bureau's final debarment determination. In accordance with the Commission's debarment rules, you may contest this suspension or the scope of this suspension by filing arguments in opposition to the suspension, with any relevant documentation. Your request must be received within 30 days after you receive this letter or after notice is published in the Federal Register, whichever comes first.¹⁴ Such requests, however, will not ordinarily be granted.¹⁵ The Bureau may reverse or limit the scope of suspension only upon a finding of extraordinary circumstances.¹⁶ Absent extraordinary circumstances, the Bureau will decide any request for reversal or modification of suspension within 90 days of its receipt of such request.¹⁷

II. Initiation of Debarment Proceedings

Your conviction of criminal conduct in connection with the E-Rate program, in addition to serving as a basis for immediate suspension from the program, also serves as a basis for the initiation of debarment proceedings against you. Your conviction falls within the categories of causes for debarment defined in section 54.8(c) of the Commission's rules.¹⁸ Therefore, pursuant to

¹⁰ *DISD Indictment* at 6. Based on a winning bid proposal prepared utilizing information that Mr. Wong received from Mr. Bohuchot, MSE received at least \$4 million as a subcontractor under another contract with DISD. See *DISD Indictment* at 4; *DOJ November 12, 2008 Ruben Bohuchot Press Release* at 2.

¹¹ 47 C.F.R. § 54.8(a)(4). See *Second Report and Order*, 18 FCC Rcd at 9225-9227, ¶¶ 67-74.

¹² 47 C.F.R. § 54.8(a)(1), (d).

¹³ *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 69; 47 C.F.R. § 54.8(e)(1).

¹⁴ 47 C.F.R. § 54.8(e)(4).

¹⁵ *Id.*

¹⁶ 47 C.F.R. § 54.8(e)(5).

¹⁷ See *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70; 47 C.F.R. §§ 54.8(e)(5), 54.8(f).

¹⁸ "Causes for suspension and debarment are the conviction of or civil judgment for attempt or commission of criminal fraud, theft, embezzlement, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice and other fraud or criminal offense arising out of activities associated with or related to the schools and libraries support mechanism, the high-cost support mechanism, the rural healthcare support mechanism, and the low-income support mechanism." 47 C.F.R. § 54.8(c). Such activities "include the receipt of funds or discounted services through [the Federal universal service] support mechanisms, or consulting with, assisting, or advising applicants or service providers regarding [the Federal universal service] support mechanisms." 47 C.F.R. § 54.8(a)(1).

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section 54.8(a)(4) of the Commission's rules, your conviction requires the Bureau to commence debarment proceedings against you.

As with your suspension, you may contest debarment or the scope of the proposed debarment by filing arguments and any relevant documentation within 30 calendar days of the earlier of the receipt of this letter or of publication in the Federal Register.¹⁹ Absent extraordinary circumstances, the Bureau will debar you.²⁰ Within 90 days of receipt of any opposition to your suspension and proposed debarment, the Bureau, in the absence of extraordinary circumstances, will provide you with notice of its decision to debar.²¹ If the Bureau decides to debar you, its decision will become effective upon the earlier of your receipt of a debarment notice or publication of the decision in the Federal Register.²²

If and when your debarment becomes effective, you will be prohibited from participating in activities associated with or related to the schools and libraries support mechanism for at least three years from the date of debarment.²³ The Bureau may, if necessary to protect the public interest, extend the debarment period.²⁴

Please direct any response, if by messenger or hand delivery, to Marlene H. Dortch, Secretary, Federal Communications Commission, 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002, to the attention of Rebekah Bina, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Room 4-C330, with a copy to Vickie Robinson, Assistant Chief, Investigations and Hearings Division, Enforcement Bureau, Room 4-C330, Federal Communications Commission. If sent by commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail), the response should be sent to the Federal Communications Commission, 9300 East Hampton Drive, Capitol Heights, Maryland 20743. If sent by first-class, Express, or Priority mail, the response should be sent to Rebekah Bina, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 4-C330, Washington, DC, 20554, with a copy to Vickie Robinson, Assistant Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 4-C330, Washington, DC, 20554. You shall also transmit a copy of the response via email to Rebekah.Bina@fcc.gov and to Vickie.Robinson@fcc.gov.

¹⁹ See *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70; 47 C.F.R. § 54.8(e)(3).

²⁰ *Second Report and Order*, 18 FCC Rcd at 9227, ¶ 74.

²¹ See *id.*, 18 FCC Rcd at 9226, ¶ 70; 47 C.F.R. § 54.8(e)(5).

²² 47 C.F.R. § 54.8(e)(5). The Commission may reverse a debarment, or may limit the scope or period of debarment upon a finding of extraordinary circumstances, following the filing of a petition by you or an interested party or upon motion by the Commission. 47 C.F.R. § 54.8(f).

²³ *Second Report and Order*, 18 FCC Rcd at 9225, ¶ 67; 47 C.F.R. §§ 54.8(d), 54.8(g).

²⁴ 47 C.F.R. § 54.8(g).

Mr. Ruben B. Bohuchot
February 26, 2009

If you have any questions, please contact Ms. Bina via mail, by telephone at (202) 418-7931 or by e-mail at Rebekah.Bina@fcc.gov. If Ms. Bina is unavailable, you may contact Ms. Vickie Robinson, Assistant Chief, Investigations and Hearings Division, by telephone at (202) 418-1420 and by e-mail at Vickie.Robinson@fcc.gov.

Sincerely yours,

Hillary S. DeNigro
Chief
Investigations and Hearings Division
Enforcement Bureau

cc: Kristy Carroll, Esq., Universal Service Administrative Company (via e-mail)
Dayle A. Elieson, U.S. Attorney's Office, United States Department of
Justice (via mail)